REMARKS

Withdrawal of claims rejections under 35 USC § 101 and 112 are noted with appreciation.

Claims 1-3, 6, 7, 9-14 have been rejected under 35 USC § 102(b) as being anticipated by Alaia et al '018. This rejection of claims is respectfully traversed.

It must be noted that the independent claims 1 and 13, and the associated dependent claims, variously recite *inter alia* "permitting each of said competing participants to prescribe a default final offer . . . and if a competing participant's default final offer represents a competitive offer, registering the offer as a valid bid . . . the online auction event is extended . . . to allow other competing participants to submit counterbids."

These aspects of the claimed invention establish a separate stored default bid which, when checked at or near auction close, if turns out to be a valid bid (i.e., the leading bid in the auction), then such offer extends the online auction beyond the designated time period to allow other competitive bids. More specifically, extension or overtime of the auction is triggered by determination at or near designated closing time by check and of acceptance of a pre-stored default bid that is a valid bid (i.e., a bid that would win the auction). This allows for possible online service interruption during an auction, and allows

bidders to enter (in confidence) their default (ceiling or floor) bid before or during the auction. Thus, a bidder that somehow becomes disconnected still has a chance for success in the auction as the pre-stored default final bid (ceiling or floor) will be examined at or near close of the auction to determine whether it is a valid bid (i.e., wins the auction, in accordance with the rules of the auction). A valid bid of this type thus extends the auction beyond the designated period to allow other bidders to counter offer (thus preserving the set rules of the auction, and the transparency of the outcome). These aspects of the claimed invention are amply detailed in the specification, for example, at paras. 7, 79-82, 89-97, and 105.

However, these aspects of the claimed invention are not disclosed in Alaia et al '018 which merely describes receiving a live bid at or near the auction close merely as part of the on-going bidding process. There is no disclosure here of any pre-stored default (i.e., ceiling or floor) bid that is to be checked at/near auction close to determine whether such default bid is a valid bid (i.e. wins the auction), in any manner resembling Applicant's claimed invention. At best, Alaia et al '018 is understood to suggest floor or ceiling limits that the bidder sets and cannot cross, and triggering of overtime on receipt of a *new* low bid (not pre-stored) near the close (col. 9, lines 58-63; col. 13, lines 35-44). Even considering the Alaia et al '018 disclosure of "bid-

related" triggering of overtime, these details are understood merely to involve evaluation of the bid against prescribed criteria such as rank (e.g., second or third best), or quality parameters such as price, or bid frequency, or the like (col. 13, line 62 - col. 14 line 37).

However, there is no disclosure in these cited passages or elsewhere in this reference of checking any pre-stored default final offer (floor or ceiling) to determine, in accordance with whether such an offer represents a valid bid that would extend the auction period, in the manner as claimed by Applicant. It is therefore respectfully submitted that claims 1-3, 6, 7, 9-14 are patentably distinguishable over the cited art.

Claims 5 and 8 have been rejected under 35 USC § 103(a) as being unpatentable over Alaia et al '018 in view of Segal '1689. This rejection is respectfully traversed.

These dependent claims variously define the default final offer as maintained confidential or otherwise not available "unless and until that offer is registered as a valid offer" (i.e., as winning bid when checked at/near auction close).

These aspects of the claimed invention are not disclosed or even suggested by the cited references considered either alone or in the combination proposed by the Examiner. As noted in the above Remarks, Alaia et al '018

fails to disclose any pre-stored default final offer (ceiling or floor bid) that can be checked at/near close of the auction to determine whether constitutes a valid bid (i.e., wins the auction) that triggers extending the auction period. And, Segal '1689, at para. [0023] cited by the Examiner, and elsewhere, is understood merely to describe a conventional bidding process with no details disclosed of any scheme for checking a pre-stored default final offer at/near auction close (i.e., essentially after conventional bidding is concluded) for determination of whether such is a valid bid (i.e., a bid that would win the auction) to therefore trigger extension of the auction period. Thus, merely combining the disclosures of these cited references in the manner proposed by the Examiner nevertheless fails to establish even a *prima facie* basis, including *all* recited steps, from which a proper determination of obviousness may be formed. It is therefore respectfully submitted that dependent claims 5 and 8 are patentably distinguishable over the cited art.

Entry of this amendment, which is submitted to condition this application for allowance, is requested. In the event the Examiner continues a claim rejection, it is requested that this amendment be entered in order to clarify the issues for appeal.

Favorable action is solicited. The Examiner is invited to contact the undersigned attorney for the Applicant regarding any remaining matter that may expedite favorable disposition of this application.

Respectfully submitted,
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